



OHIO STAR FORGE CO.

Division of DAIDO Steel

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November 26, 2001

Mr. Andrew Stephens
Director of Steel Trade Policy
Office of U.S. Trade Representative
600 17th Street
Washington, D.C. 20508

Dear Mr. Stephens,

Your October 26, 2001, Federal Register notice invited comments on requests for exclusions. I am writing you to support an exclusion request for bearing quality rod and bar, meeting SAE/AISI grade 52100 or JIS SUJ2 specifications or equivalent, submitted by the Japanese respondents in the safeguards investigation of certain steel. I am President & CEO of Ohio Star Forge Company, which is located in Warren, Ohio. Ohio Star Forge purchases hot rolled, grade 52100 steel bar from Japan to produce bearing races. There is no qualified domestic supplier of hot rolled, grade 52100 steel bar, which meets our customer's specifications.

We supply bearing races to bearing manufacturers. Our customers have very strict steel bar quality requirements and must qualify all suppliers. In the past, we purchased hot rolled, grade 52100 steel bar from CSC, LTD. However, CSC filed for bankruptcy in January of 2001 and has not supplied steel since that time. Currently, we are 100% reliant on Japanese suppliers of hot rolled, grade 52100 steel bar and no other steel grade can replace it. If import restraints restricted our access to imported steel, we could not easily switch to other suppliers. The supplier qualification process can take a year or more and we simply cannot afford to do without this necessary raw material.

Ohio Star Forge employs 80 full time workers and has total annual revenues of approximately \$30 million. Production of bearing races accounts for 90% of our operations. A high tariff or restrictive quota on hot rolled specialty bar would severely harm our business and no domestic producer would directly benefit, since they do not make the steel that we require. We hope you will agree that bearing quality rod and bar is not, a source of injury to the domestic industry and therefore should be excluded from your remedy recommendation.

If you have any questions about this letter, please contact at 330-847-6360 ext. 20. Thank you for your consideration.

Sincerely,
Jeffery P. Downing
President & CEO, Ohio Star Forge Co.